



LOCAL ASSISTANCE DIVISION FY2012 ANNUAL REPORT

Virginia Department of Transportation

Fiscal Year 2012 Annual Report

I. COMMUNICATIONS/ OUTREACH

II. LOCAL SYSTEMS

A. URBAN CONSTRUCTION INITIATIVE

B. SECONDARY POLICY

C. URBAN PROGRAM

D. URBAN SIX YEAR IMPROVEMENT PROGRAM

E. URBAN POLICY AND DISTRICT SUPPORT

F. LOCAL MAINTENANCE PROGRAM (URBAN, ARLINGTON & HENRICO)

G. LOCAL PERFORMANCE AND ACCOUNTABILITY

III. LOCALLY ADMINISTERED PROJECTS (LAPS)

A. PROJECT ADMINISTRATION AGREEMENTS

B. LOCALLY ADMINISTERED PROJECTS MANUAL

C. LAP PERFORMANCE INITIATIVE

D. LOCAL PARTNERSHIP TEAM/OUTREACH/TRAINING

E. LOCAL COMPLIANCE

IV. FEDERAL PROGRAMS

A. TRANSPORTATION ENHANCEMENT

B. SCENIC BYWAY PROGRAMS (VIRGINIA & NATIONAL)

C. FOREST HIGHWAY PROGRAM

V. STATE PROGRAMS

A. REVENUE SHARING PROGRAM

B. ACCESS PROGRAMS

C. RURAL RUSTIC PROGRAM

VI. GENERAL ASSEMBLY

VII. VIRGINIA ASSOCIATION OF COUNTIES/VIRGINIA MUNICIPAL LEAGUE

VIII. STAFF DEVELOPMENT AND ACCOMPLISHMENTS

LOCAL ASSISTANCE DIVISION FY2012 ANNUAL REPORT

The Local Assistance Division develops and interprets policy dealing with local roads and serves as liaison with local government organizations, manages several special funding programs, manages urban system changes, prepares local assistance payments, provides oversight for locally administered projects and facilitates the delivery of the statewide urban program.

I. COMMUNICATIONS/OUTREACH

LAD continues to publish the Local Assistance Division Newsletter tri-annually. The newsletter serves as an outreach avenue for the Department to provide general information, updates, and changes about locally administered projects and programs and their affects on local governments. The Division's external webpage is updated regularly to include mass communications to local governments as well as to reflect program and policy changes and new initiatives. A two-day Local Programs Workshop is being planned for October 2012.

II. LOCAL SYSTEMS

A. URBAN CONSTRUCTION INITIATIVE

The Urban Construction Initiative (UCI) has fourteen (14) localities under agreement to administer their entire construction program. This year, the City of Danville executed the programmatic agreement (effective July 1). The UCI Certification Program, approved by the Federal Highway Administration for implementation in 2009, is an opportunity for qualified UCI participating localities to proceed with delegated authority by VDOT for project administration and development with streamlined VDOT oversight on federal and state funded projects, similar to FHWA's oversight of VDOT. The City of Virginia Beach has successfully demonstrated their ability to deliver state and federally funded projects and has become the first locality to qualify under the certification process.

B. SECONDARY POLICY

Staff continued to support the field by providing policy guidance on the Secondary system. LAD is currently working to create a Secondary Roads Policy Manual. This tool will assist VDOT and Local Staff on policies and guidance in relation to the Secondary Road programs.

C. URBAN PROGRAM

As a result of the 2010 Census, three (3) localities have exceeded the 3,500 population threshold and therefore, are mandated by Code to become part of the Urban System. The three (3) localities are: Broadway, Berryville, and Colonial Beach. Throughout the year, meetings with the three (3) localities, District and Residency Offices were held to discuss the transition of the secondary roadway maintenance to these localities. The localities acquired maintenance and operational responsibility of their secondary system on July 1st, 2012. VDOT continues to work with these localities on transitioning while localities request additional meetings, presentations, and training.

D. URBAN SIX YEAR IMPROVEMENT PLAN

On a biannual basis, LAD continues providing Districts with an assessment of the urban program comparing allocations to project estimates and current expenditures. This tool was provided to District Staff with guidance and priority on areas needing delivery improvement. Areas of focus include: continued consolidation of projects (financially feasible alternatives) and expenditure of funds on fully funded phases (for federal obligation). Reconciliation of the urban program continues on a rolling basis and residual allocations are being distributed in the annual update to the Six Year Improvement Program. Each district is provided with a list of action items based on the rolling reconciliation/program review.

E. URBAN POLICY AND DISTRICT SUPPORT

LAD is currently working on an update of the Urban Manual to provide the latest in legislative, policy and procedural changes. Revisions of the Urban Manual are necessary to ensure that both VDOT and Local staff have a single reference for information relating to the Urban Construction and Maintenance Programs. It will also include the program development and policy requirements of the UCI Guide.

F. LOCAL MAINTENANCE PROGRAM (URBAN, ARLINGTON & HENRICO)

During FY12, LAD reviewed and processed 719 urban system changes to include the addition of 10.33 centerline miles of arterials and 81.92 centerline miles of local/collector roads for a total increase of 92.25 centerline miles (or 200 lane miles) in the urban system in FY13.

LAD continues to work with the Steering and Technical Committees for the development and implementation of the new Roadway Network System (RNS). A pilot project to georeference the urban inventory, and to provide exceptional reporting and validation of the information in the Urban Maintenance Inventory, has been completed and the full data conversion project is underway. The project is scheduled for completion in the fall/winter of 2013.

G. LOCAL PERFORMANCE AND ACCOUNTABILITY

At their December 2011 meeting, The Commonwealth Transportation Board (CTB) adopted a resolution to reconvene the Local Government Working Group (in partnership with the Virginia Municipal League and the Virginia First Cities Coalition) to advance the collection and analysis of system condition and performance data on the locally maintained system. Beginning this summer, VDOT will begin collecting data on all arterial routes. Data analysis is to be completed in winter of 2013.

LAD continues to report local bridge conditions (from dashboard) on a quarterly basis through “Virginia Performs”. As of June 30, 2012, 96.51% of the bridges on the county maintained system and 90.76% of the bridges on the city/town maintained system were rated in “fair or better” condition. The bridge performance target is that 92% of structures are rated in “fair or better” condition. Also, The Weldon Cooper Financial Survey data for FY2011 has been summarized and posted on the LAD webpage.

III. LOCALLY ADMINISTERED PROJECTS (LAP)

A. PROJECT ADMINISTRATION AGREEMENTS

A total of 263 Locally Administered Project Agreements were executed during FY2012, a decrease from the 309 agreements executed during FY2011. Additionally, 91 supplemental agreements were completed. As part of the implementation of the new Cardinal Accounting system, a new Urban Construction Project Agreement and corresponding Appendix A were created. The Federal-aid Appendix A was revised and updates of existing agreements were coordinated with District Staff.

B. LOCALLY ADMINISTERED PROJECTS MANUAL

LAD continues to update and improve the Locally Administered Projects Manual. Significant updates this year included: changes associated with the Tier 1 / 2 project development oversight processes, updated project scoping and scheduling requirements, and the increase of the FAR Audit threshold from \$100,000 to \$200,000.

After consultation with stakeholders, including District and CO staff, LAD implemented an enhanced Request to Administer (RtA) Project process. The process streamlines the RtA review by delegating Tier 1 project approvals to the Districts. The enhanced process also asks localities to complete a self-evaluation of qualifications that will help localities and District staff ensure localities have all the resources necessary to successfully administer federal aid projects and to assist District staff assign project oversight requirements.

C. LAP PERFORMANCE INITIATIVE

This year, LAD developed two initial tools for assessing the performance of locally administered projects. These tools consist of a Federal Strategy Obligations (% met) report, and a Dashboard Advertisement Date (on-schedule) report. Additional areas are being reviewed to establish a complete toolkit for District and local staff use in order to provide consistent and meaningful assessment of locality performance.

D. LOCAL PARTNERSHIP TEAM/OUTREACH/TRAINING

In response to Federal audits of locally administered projects, LAD proactively partnered with FHWA and Scheduling and Contract Division to facilitate a “Basic Construction Management” training session for locality staff. The session focused on three (3) of seven (7) areas of locality non-compliance identified in the audits, and concentrated on materials, work orders, and documentation during construction. Sessions were held in Richmond, Hampton, and Charlottesville. Approximately 75 locality participants attended. LAD staff provided “New Project Coordinator Training” on-site in Lynchburg and Richmond districts to VDOT staff (statewide). This training was designed to assist VDOT project coordination personnel with becoming acclimated with their new roles and responsibilities associated with locally administered projects. Over 70 VDOT staff attended the project coordinator training sessions.

E. LOCAL COMPLIANCE

During FY12, LAD initiated compliance reviews of six (6) locally administered projects. These reviews are being conducted in accordance with the compliance assessment program outlined in Chapter 7 of the Locally Administered Projects Manual. A Locally Administered

Projects Compliance Assessments database has been developed to track project specific information requested and to review comments and findings found during project assessments. Reports generated from this information will aid project coordinators and managers in identifying trends and noncompliance issues.

IV. FEDERAL PROGRAMS

A. TRANSPORTATION ENHANCEMENT

On July 6, 2012 a new 27-month federal transportation bill– MAP 21 – was signed into law on extending the current SAFETEA-LU legislation until September 30, 2012 and introducing new legislation, which will become effective October 1, 2012 through September 30, 2014. MAP 21 establishes a new “Transportation Alternatives” program which combines Transportation Enhancement with the Safe Routes to School, and Recreational Trails programs. It is not yet clear what the full impact of the new legislation will be on the Transportation Enhancement Program.

Applicant outreach efforts for FY2013 allocations resulted in the receipt of 114 applications. The CTB selected 77 projects for funding, 22 of those were new projects, in allocating approximately \$26M. Of the projects selected for funding, 83% of the requests were fully funded. Increasing funding on selected projects has been a specific goal of recent policy changes in order to facilitate moving the vast backlog of projects forward toward completion. As a result of the policy changes and emphasis on fully funding requests, we have seen an increase in the overall program reimbursement rate.

Based on concerns raised by the CTB regarding project development processes, a survey of local governments, federal / state agencies, as well as consultant firms and non-profit organizations, was conducted to obtain feedback on project development issues that slow project performance. 110 responses were received and results are being summarized.

Five (5) public workshops were held in Summer 2011 for those interested in applying for future Enhancement Program funding. In Fall 2011, LAD held three (3) regional sponsor workshops for successful Enhancement Program applicants focusing on project development and state / federal requirements. Four (4) “Enhancement Day” workshops were also conducted for District Enhancement Coordinators and PIM personnel. These workshops provide program updates, training and development opportunities.

B. SCENIC BYWAYS PROGRAMS (VIRGINIA & NATIONAL)

LAD coordinated the evaluation of five (5) roadway sections for Virginia Byway Designation, which will lead to additional designations in late 2012. The Byway Program Manager worked with various organizations to submit applications for the FY12 National Scenic Byways Grant Program funding requesting approximately \$8.9 M. Technical assistance was provided to several organizations across the Commonwealth who are considering applying for National Scenic Byway designation through FHWA. LAD worked with Public Affairs to create the Civil War 150th Anniversary Supplement to the *Map of Scenic Roads in Virginia*. This publication, which won a 2012 Virginia Public Relations Award, highlights celebrating the Civil War’s Sesquicentennial along Virginia’s Byways.

C. FOREST HIGHWAY PROGRAM

LAD worked with the Eastern Federal Lands/FHWA coordinator and U.S. Forest Service to develop a funding strategy to ensure that each phase of selected Forest Highway projects will be fully financed to bring individual projects to completion. In FY 2011, Virginia received an

allocation of \$2,067,073.21. At the end of FY 2010, a balance of \$2,057,619.00 remained leaving the available balance for FY 2011 \$4,052,504.40. LAD has continuously worked with EFLHD to maximize utilization of available funding. In addition, FHWA—Eastern Federal Lands developed a new selection process that will issue a call for projects and include a standardized project application. MAP-21 also replaced the Forest Highway Program with a new Public Lands Access Program. Details are still being worked out on this new Program.

V. STATE PROGRAMS

D. REVENUE SHARING PROGRAM

LAD completed the first Revenue Sharing Program de-allocation process as stipulated under the *Code*. At its January 2012 meeting, the CTB approved the de-allocation of a total of \$17,314,810 from 209 projects. These funds were used to supplement funding required for the FY 2013 Revenue Sharing program. LAD staff has initiated the second review of potential projects for de-allocation. This list is under review in order to determine funding that may be utilized to finance applications for the FY 2014 program.

Also, for the FY 2012 Revenue Sharing Program, localities were notified in August 2011 of the opening of the application period. Following the November 1, 2011 termination of the application period, the locality's applications were reviewed. 149 projects totaling \$132,017,616 were recommended for funding by LAD and approved by the CTB at its June 2012 meeting.

During its 2012 session, the General Assembly revised legislation to include maintenance projects as eligible for revenue sharing funding but limited the maintenance allocation for each locality to \$5 million. LAD coordinated with Maintenance Division and Structure and Bridge Division to define criteria necessary for determining the eligibility of maintenance project candidates. As a result of the new legislation, the CTB revised its Revenue Sharing Policy and the Revenue Sharing Program Guidelines at its July 2012 meeting.

E. ACCESS PROGRAMS

LAD worked with various VDOT staff, local governments and other entities across the state to successfully allocate \$601,000 to assist localities with projects to access two recreational areas, \$450,000 to access one airport, and \$4,063,000 to access seven (7) economic development sites. Staff also continued work on financial closure of completed projects.

The CTB revised its Airport Access policy, resulting in the first publication of the Airport Access Program Guide in April. In addition, the CTB amended its Economic Development Access policy. The most significant change in the CTB policy is focused on Virginia Economic Development Partnership (VEDP) Strategic Properties. For project sites meeting the Major Employment and Investment (MEI) definition in §2.2-2260 of the *Code of Virginia*, the policy now allows a locality to receive up to the maximum \$500,000 unmatched and \$150,000 matched allocations for a design-only project (in anticipation of a road construction project). Furthermore, for these same MEI projects, the locality may receive up to a maximum allocation of \$500,000 unmatched and \$500,000 matched for an access road project with allocations cumulative for no more than two years.

F. RURAL RUSTIC ROADS PROGRAM

LAD collected and summarized the Rural Rustic Road Program accomplishments. Since the program was established, and when compared to the estimated cost of traditional construction methods, VDOT has completed 710 rural rustic road projects at an estimated cost savings of approximately \$227M. The Rural Rustic Road Program Manual, , was updated to reflect

legislation adopted during the 2012 General Assembly session that revised storm-water management regulations and to incorporate other minor revisions.

VI. GENERAL ASSEMBLY

LAD prepared three (3) legislative proposals this year for consideration by the Executive team. LAD worked closely with members of the General Assembly, VACO and VML on key programs and issues including the Revenue Sharing Program, and training and certification of local governments to streamline and improve local project administration.

LAD represented the Department at the Senate Local Government Committee and the House Counties, Cities and Towns Committee, and worked with other Department representatives to assist them with legislation pertaining to their assignments. LAD tracked thirty-two (32) proposed bills, prepared legislative impact statements on six proposed bills, and met with legislators on issues.

VII. VIRGINIA ASSOCIATION OF COUNTIES/ VIRGINIA MUNICIPAL LEAGUE

LAD represented the Department at annual conferences as well as at the Transportation Steering Committees for these organizations. LAD staff made presentations on current VDOT initiatives, etc. to VACO and VML members and accompanied the Commissioner and Secretary when asked to make presentations to these organizations.

VIII. STAFF DEVELOPMENT AND ACCOMPLISHMENTS

- ✚ LAD continues to hold monthly cross training sessions. On a rotating basis, representatives from the division provide staff with detailed information and a better understanding of the programs they manage.
- ✚ A two day staff retreat, held at Wintergreen, focused on developing the Local Programs Workshop to be held in October in Richmond.
- ✚ The Central Office Best Division Good Housekeeping Award was presented to LAD in June 2012.
- ✚ John Simmers joined the Division in March 2012 as the Locally Administered Projects Program Manager.
- ✚ Caroline Heltzel received her Bachelor's degree in Sociology from *Sweet Briar College* and rejoined the Division as an intern.
- ✚ Michaela Clayton joined the Division in June 2012 as a Core Development Program Associate. She graduated from *Virginia Commonwealth University* in May 2012 with a Bachelor's degree in Business Administration.
- ✚ Jenny Epes graduated from the Wounded Veteran Internship Program in June 2012 and accepted an hourly position in LAD while she pursues her Bachelor's degree in Emergency Management.